

Senate File 2116 - Introduced

SENATE FILE 2116

BY CHELGREN

A BILL FOR

1 An Act relating to the production or manufacture of certain
2 goods within the state of Iowa and applicability of federal
3 authority, providing penalties, and including applicability
4 provisions.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 554E.1 Short title.

2 This chapter may be cited as the "*Intrastate Commerce Act*".

3 Sec. 2. NEW SECTION. 554E.2 Legislative findings.

4 The general assembly finds the following:

5 1. The tenth amendment to the Constitution of the United
6 States codifies in law that the only powers the federal
7 government may exercise are those that have been delegated
8 to the federal government in the Constitution of the United
9 States.

10 2. The ninth amendment to the Constitution of the United
11 States guarantees to the people rights not enumerated in the
12 Constitution and reserves to the people those rights.

13 3. Under Article I, section 8, clause 3, of the Constitution
14 of the United States, the federal government is empowered to
15 regulate commerce among the several states.

16 4. The power to regulate intrastate commerce is reserved to
17 the states or the people under the ninth and tenth amendments
18 to the Constitution of the United States.

19 5. During the constitutional convention, the founders
20 considered a plan which would have authorized the federal
21 government to not only regulate commerce among the several
22 states but also any activity having spillover effects across
23 state lines, and the plan was rejected.

24 Sec. 3. NEW SECTION. 554E.3 Iowa goods retained in state —
25 federal regulation — inapplicability.

26 1. As used in this chapter, unless the context otherwise
27 requires:

28 a. "*Goods*" means all real or personal property, whether
29 tangible or intangible, regardless of when the property
30 originated or was produced or manufactured.

31 b. "*Produced*" means grown, mined, or extracted.

32 2. All goods produced or manufactured, whether commercially
33 or privately, within the boundaries of this state that are
34 held, maintained, or retained within the boundaries of this
35 state shall not be deemed to have traveled in interstate

1 commerce and shall not be subject to federal law, federal
2 regulation, or the authority of the Congress of the United
3 States under its constitutional power to regulate commerce
4 among the states. The authority of the Congress of the United
5 States to regulate interstate commerce in basic materials or
6 parts used in processing or producing shall not include the
7 authority to regulate goods produced or manufactured within
8 this state from such materials or parts regardless of the
9 jurisdiction from which the basic materials or parts were
10 obtained by the manufacturer or producer.

11 3. This chapter shall not apply to the following:

12 a. Goods manufactured within this state unless the words
13 "made in Iowa" are clearly stamped or marked on an integral
14 part of the good.

15 b. Goods produced within this state unless the words
16 "product of Iowa" are clearly stamped or marked on the
17 container or packaging.

18 c. Goods ordered, procured, or purchased by the United
19 States government or by any contractor pursuant to an agreement
20 with the United States government.

21 Sec. 4. NEW SECTION. 554E.4 Penalties.

22 1. Any official, agent, or employee of the United States
23 government or any employee of a corporation providing services
24 to the United States government who enforces or attempts to
25 enforce an Act, order, law, statute, rule, or regulation of the
26 government of the United States in violation of this Act shall
27 be guilty of a class "D" felony.

28 2. Any public officer or employee of this state who enforces
29 or attempts to enforce an Act, order, law, statute, rule, or
30 regulation of the government of the United States in violation
31 of this Act shall be guilty of a serious misdemeanor.

32 Sec. 5. APPLICABILITY.

33 1. This Act applies to goods held, maintained, or retained
34 within the boundaries of the state that have been produced or
35 manufactured within this state at any time before, on, or after

1 July 1, 2018.

2 2. Notwithstanding subsection 1, the section of this Act
3 enacting section 554E.4, prescribing penalties for a violation
4 of the Act's provisions, applies to violations occurring on or
5 after July 1, 2018.

6 EXPLANATION

7 The inclusion of this explanation does not constitute agreement with
8 the explanation's substance by the members of the general assembly.

9 This bill relates to the production or manufacture of
10 certain goods within the state of Iowa and federal regulatory
11 authority.

12 The bill provides legislative findings regarding the
13 retention and delegation of powers in the United States
14 Constitution, including that the power to regulate intrastate
15 commerce is reserved to the states or the people under the
16 ninth and tenth amendments to the Constitution.

17 The bill defines "goods" to mean all real or personal
18 property, whether tangible or intangible, regardless of when
19 the property was produced or manufactured. The bill defines
20 "produced" to mean grown, mined, or extracted.

21 The bill states that all goods produced or manufactured
22 either commercially or privately within Iowa that are held,
23 maintained, or retained within Iowa shall not be deemed to
24 have traveled in interstate commerce and therefore shall
25 not be subject to federal law, federal regulation, or the
26 constitutional authority of the Congress of the United
27 States to regulate interstate commerce. The bill states
28 that the federal authority to regulate interstate commerce
29 in basic materials or parts used in processing or producing
30 does not include the authority to regulate goods produced
31 or manufactured within Iowa, regardless of where the basic
32 materials or parts were obtained. The bill further provides
33 that protection from federal regulation shall be confined to
34 goods manufactured within Iowa that have "made in Iowa" clearly
35 stamped or marked on an integral part or goods produced in Iowa

1 if the words "product of Iowa" are clearly stamped or marked
2 on the container or packaging. The bill further provides that
3 goods ordered, procured, or purchased by the United States
4 government or by any contractor pursuant to an agreement with
5 the United States government are not included in the protection
6 from federal regulation.

7 The bill specifies that any official, agent, or employee of
8 the United States government or any employee of a corporation
9 providing services to the United States government who enforces
10 or attempts to enforce an Act, order, law, statute, rule, or
11 regulation of the government of the United States in violation
12 of the bill's provisions shall be guilty of a class "D" felony.
13 A class "D" felony is punishable by confinement for no more
14 than five years and a fine of at least \$750 but not more than
15 \$7,500. The bill further specifies that a public officer or
16 employee of this state who enforces or attempts to enforce an
17 Act, order, law, statute, rule, or regulation of the government
18 of the United States in violation of the bill shall be guilty
19 of a serious misdemeanor. A serious misdemeanor is punishable
20 by confinement for no more than one year and a fine of at least
21 \$315 but not more than \$1,875.

22 The bill applies to goods held, maintained, or retained
23 within the boundaries of this state that have been produced or
24 manufactured within this state at any time before, on, or after
25 July 1, 2018. Penalty provisions apply to violations occurring
26 on or after July 1, 2018.